

"ORDINANCE NO. 439

AN ORDINANCE TO CONTRACT AN INDEBTEDNESS ON BEHALF OF THE CITY OF LAS ANIMAS, COLORADO, AND UPON THE CREDIT THEREOF BY ISSUING GENERAL OBLIGATION WATER BONDS OF THE CITY IN THE PRINCIPAL AMOUNT OF \$613,000 FOR THE PURPOSE OF SUPPLYING THE CITY WITH WATER BY EXTENDING AND IMPROVING THE EXISTING WATERWORKS SYSTEM OF THE CITY; PRESCRIBING THE FORM OF SAID BONDS; PROVIDING FOR THE LEVY OF TAXES TO PAY THE SAME; AND DECLARING AN EMERGENCY."

Thereupon, Council Member Maupin introduced ~~and moved for adoption of~~ the following amendment to Ordinance No. 439 ~~on second reading:~~

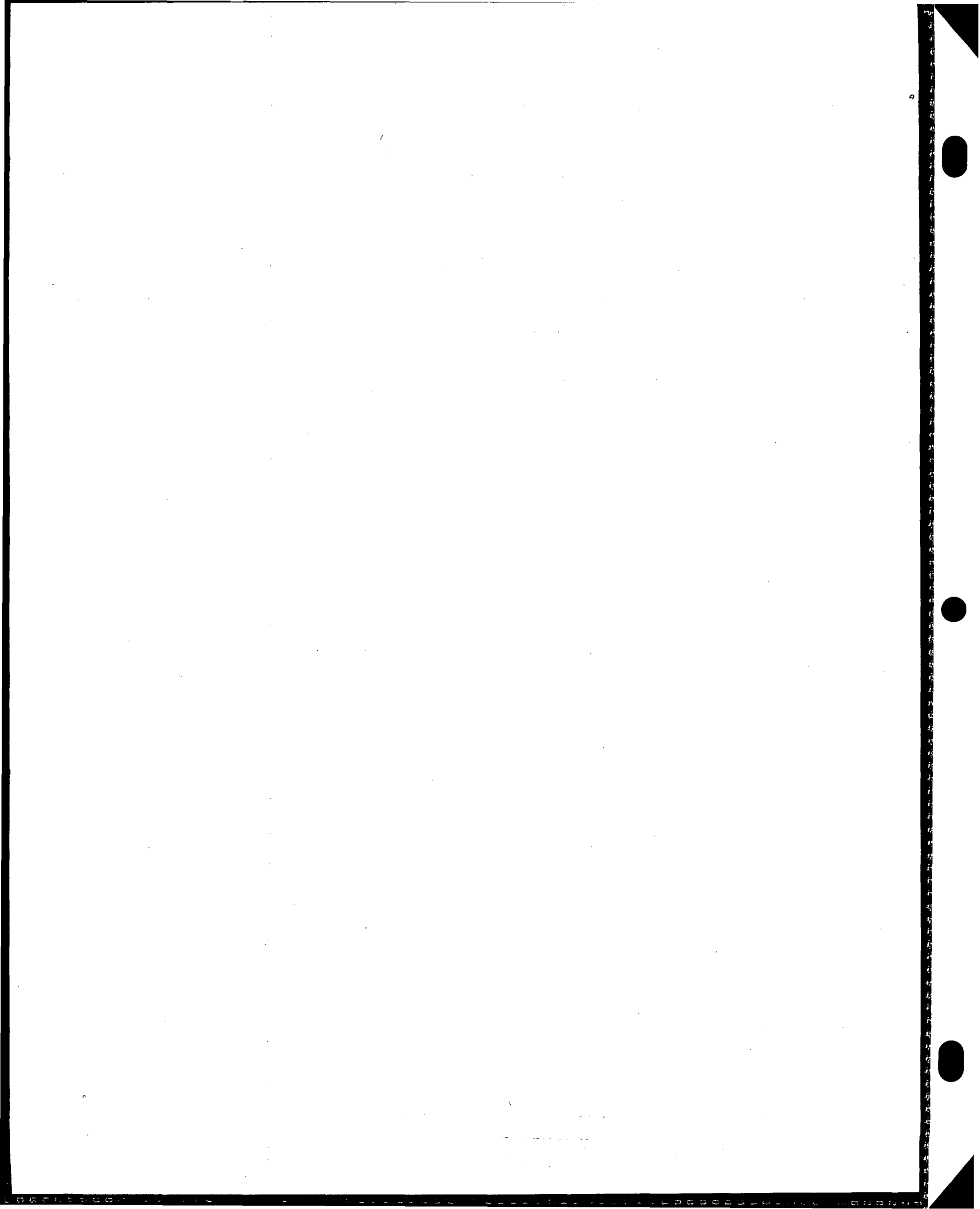
That Ordinance No. 439 be amended by including a new Section 19 which is as follows:

"Section 19. Bond Reserve Account. There is hereby established a separate account to be designated as the "Bond Reserve Account". Such Reserve Account shall be used to prevent defaults in the payment of the bonds authorized herein and the interest thereon, but if used for such purpose it shall be restored to the account as soon as possible with a yearly payment of not less than \$3,600 per year, to be deposited on or before August 1 of each year.

The Reserve Account shall be established and funded in the total amount of \$36,000. Annual payments shall be made to the Reserve Account in the amount of not less than \$3,600 each year beginning on August 1, 1979 and continue each year until the Reserve Account is fully funded in the amount of \$36,000. No additional payments need be made into the Reserve Account as long as the deposit therein shall equal or exceed such amount. In addition, there shall be deposited to the Reserve Account any proceeds of the bonds not needed for the completion of the project, and in such event, the required payments to the Reserve Account shall be adjusted or decreased accordingly.

The Reserve Account shall be maintained until such time as the amount therein will be sufficient to pay all of the outstanding bonds authorized by this Ordinance and the interest thereon. Moneys in the Reserve Account may be invested in direct obligations of the United States Government or in obligations or securities of any agency or instrumentality thereof authorized by law, and the interest from any such investment shall be considered as net revenues of the water system".

~~Council Member~~ Maupin then moved that said Amendment to Ordinance No. 439 be adopted as read. ~~Trustee~~ Councilmember Long seconded the motion.



The question being upon adoption of said Amendment the roll was called with the following result:

Those voting AYE:

Council Members:	Michael Archuleta
	Charles Clark
	Frank Hickman
	Kitty Ann Long
	Lila Maupin
	Iven Wolf

Those voting NAY: NONE

The presiding officer thereupon declared that Six (6) members of the Council having voted in favor thereof, the motion was carried and the Amendment to Ordinance No. 439 was adopted.

Thereupon, Council Member Clark moved that the foregoing Ordinance, previously passed on first reading and again read in full and amended at this meeting, be passed, adopted and approved on final reading as an emergency measure, that thereafter it shall be published by title only and shall print in full the new added Section 19, in the Bent County Democrat, a newspaper of general circulation published in the City of Las Animas, in its edition dated March 23, 1978, and that said Ordinance shall take effect after its publication as aforesaid.

Council Member Archuleta seconded the motion and the question being upon the passage, adoption and approval of said Ordinance, the roll was called with the following result:

Those voting AYE:

Council Members:	Michael Archuleta
	Charles Clark
	Frank Hickman
	Kitty Ann Long
	Lila Maupin
	Iven Wolf

Six (6) members of the Council having voted in favor of the passage and adoption of said Ordinance, said number being at least three-fourths of all the Council Members, the presiding officer thereupon declared said motion carried.

On motion duly adopted, it was ordered that said Ordinance, after its approval by the Mayor and attestation by the City Clerk and said publication, be recorded by the City Clerk in the Ordinance Book according to law.

Thereupon, after consideration of other matters, the meeting adjourned.

( S E A L )

Alfred Putnam  
Mayor

ATTEST:

Cheryl M. Aja  
City Clerk